



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

July 25, 2008

Martin H. Nesbitt, Treasurer
Obama for America
PO Box 8102
Chicago, IL 60680

Response Due Date:
August 25, 2008

Identification Number: C00431445

Reference: Amended April Quarterly Report (1/1/07 - 3/31/07), received 1/31/08

Dear Treasurer:

This letter is prompted by the Commission's **further** review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following item:

- Schedule A-P of your report discloses one or more contributions that appear to exceed the limits set forth in the Act (see attached). You should examine all of your contributions to check for additional excessive contributions. The Committee's procedures for processing contributions should also be reviewed.

It appears that several transactions on Schedule(s) A supporting line(s) 17(a) of your report disclose the original contribution of an individual more than once, as well as an amount with a description of "net contribution". It appears as though these transactions are being reported for the purposes of reattribution and redesignation. In most occurrences these transactions are correctly reported as memo entries. However, in other instances the memo entries are not provided and are therefore creating excessive contributions. Please check to ensure that all contributions from an individual do not exceed the per election limit and are being reported accurately with the appropriate memo entries. Again, failure to include memo entries for restated original contributions, net contributions, redesignations, and reattributions will be considered excessive if the sum of all contributions exceed the per election limit.

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An individual or a political committee other than an authorized committee or qualified multi-candidate committee may not make a contribution to a candidate for federal office in excess of \$2,300 per election. An authorized committee may not make a contribution to a candidate for federal office in excess of \$2,000 per election. A qualified multi-candidate committee and all affiliated committees may not make a contribution(s) to a candidate for federal office in excess of \$5,000 per election. The term "contribution" includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office. (2 U.S.C. §§ 441a(a) and (f); 11 CFR §§ 110.1(b), (e) and (k))

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information. If any contribution you received exceeds the limits, you may have to refund the excessive amount.

Excessive contributions may be retained if within sixty (60) days of receipt, the excessive portions are properly redesignated or reattributed. Guidelines for each option are provided below:

For reattributions, excessive contributions from individuals can be retained, if within sixty (60) days of receipt, the excessive amount is properly reattributed to another person. Please note that reattributions only apply to excessive contributions from individuals. An excessive contribution is considered properly reattributed if (1) the contributors provide the committee with written documentation, signed by each contributor, authorizing a reattribution and indicating the amount of the contribution to be attributed to each contributor, or (2) the committee reattributes, by presumption, the excessive portion of the contribution if the contribution was made on a written instrument from a joint account and was signed by only one of the account holders. In this case, the treasurer must notify the contributors in writing within 60 days of receiving the contribution that the committee intends to reattribute the excessive portion and must give the contributor an opportunity to request a refund. (11 CFR § 110.1(k)(3)(ii)(B))

For redesignations, the funds can be retained if within sixty (60) days of receipt the excessive amount is properly redesignated for a different election. An excessive contribution is considered properly redesignated if (1) the committee obtains signed written documentation from the contributor(s) authorizing the redesignation of the contribution for another

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election, provided that the new designation does not exceed the limitations on contributions made with respect to that election, or (2) your committee redesignates by presumption the excessive portion of the contribution for another election provided that the new designation does not exceed the limitations on contributions made with respect to that election. In this case, the treasurer must notify the contributor of the redesignation in writing within 60 days of the treasurer's receipt of the contribution. The notification must give the contributor an opportunity to request a refund. (11 CFR § 110.1(b)(5)(ii)(B)) Please note that you cannot presumptively redesignate an excessive contribution from a multi-candidate committee. Also, a contribution can only be redesignated to a previous election to the extent that the contribution does not exceed the committee's net debts outstanding for that election. (11 CFR § 110.1(b)(3)(i))

If the foregoing conditions for reattributions or redesignations are not met within 60 days of receipt of the contribution, the excessive amount must be refunded. See 11 CFR § 103.3(b)(3).

Please inform the Commission of your corrective action immediately in writing and provide photocopies of any refund checks and/ or letters reattributing or redesignating the contributions in question. Refunds are reported on Line 28 of the Detailed Summary Page and on a supporting Schedule B-P of the report covering the period in which they are made. Redesignations and reattributions are reported as memo entries on Schedule A-P of the report covering the period in which the authorization for the redesignation and/or reattribution is received. (11 CFR §§ 104.8(d)(2), (3) and (4))

The acceptance of excessive contributions is a serious problem. Again, the committee's procedures for processing contributions should be examined and corrected in order to avoid this problem. Although the Commission may take further legal action, prompt action by you to refund, redesignate, and/or reattribute of the excessive amount will be taken into consideration.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

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Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact us on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or use the local numbers listed below.

Sincerely,



Christian Hilland
Senior Campaign Finance Analyst
Reports Analysis Division
(202) 694-1395



Rebecca Hough
Campaign Finance Analyst
Reports Analysis Division
(202) 694-1165

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Excessive and/or Prohibited Contributions

Obama for America (C00431445)

Amended April Quarterly Report (1/1/07 - 3/31/07), received 1/31/08

P = Primary Election

G = General Election

Attachment

CONTRIBUTOR NAME		DATE	AMOUNT	ELECTION
Debonis	Laura	3/31/2007	\$2,600.00	G2008
Dimmock	Vincent	3/31/2007	\$2,300.00	P2008
Dimmock	Vincent	3/31/2007	\$2,300.00	P2008
Gips	Donald H Mr	1/26/2007	\$2,100.00	P2008
Gips	Donald H Mr	3/31/2007	\$2,500.00	P2008
Gips	Donald H Mr	3/31/2007	-\$2,300.00	P2008
Gips	Donald H Mr	3/31/2007	\$2,500.00	P2008
Gips	Donald H Mr	3/31/2007	-\$2,300.00	P2008
Lambert	Laura	1/24/2007	\$250.00	P2008
Lambert	Laura	3/5/2007	\$1,500.00	P2008
Lambert	Laura	3/5/2007	-\$750.00	P2008
Lambert	Laura	3/6/2007	\$250.00	P2008
Lambert	Laura	3/31/2007	\$1,100.00	P2008
Lambert	Laura	3/31/2007	-\$50.00	P2008
Lambert	Laura	3/31/2007	\$1,100.00	P2008
Lambert	Laura	3/31/2007	-\$50.00	P2008
Powell Jobs	Laurene	2/13/2007	\$4,600.00	P2008
Powell Jobs	Laurene	2/13/2007	-\$2,300.00	P2008
Powell Jobs	Laurene	2/13/2007	\$4,600.00	P2008
Powell Jobs	Laurene	2/13/2007	-\$2,300.00	P2008
Smith	Robert A	2/27/2007	\$250.00	P2008
Smith	Robert A	3/31/2007	\$4,600.00	P2008
Smith	Robert A	3/31/2007	-\$2,300.00	P2008
Store	Renee	3/31/2007	\$1,300.00	P2008
Store	Renee	3/31/2007	\$1,000.00	P2008
Store	Renee	3/31/2007	\$1,300.00	P2008

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